

MULTIMEDIA



UNIVERSITY

STUDENT ID NO

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MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 3, 2015 / 2016

DBL5018 – BUSINESS LAW
(For Diploma Students Only)

03 JUNE 2016
09.00 AM – 11.00 AM
(2 Hours)

INSTRUCTIONS TO STUDENT

1. This question paper consists of 3 pages with 5 questions.
2. Attempt **FOUR (4)** out of **FIVE (5)** questions.
3. You are required to cite sections and case laws where relevant.
4. Write all your answers in the Answer Booklet provided.

QUESTION 1

- a) Companies Act 1965 is the principal legislation governing company law in Malaysia.

Explain the following:

- i. Holding company

(6 marks)

- ii. Related corporation

(5 marks)

- b) Discuss the procedures to form a company in Malaysia.

(14 marks)

[Total : 25 Marks]

QUESTION 2

- a) Legislation refers to laws enacted by Parliament at the federal level and various State Legislative Assemblies for their respective state.

Briefly explain the legislative procedures at the pre-parliamentary stage.

(7 marks)

- b) List down all (3) **THREE** types of unwritten law in Malaysia.

(3 marks)

- c) May is a well-known actress in Malaysia. She is often hired to act in movies and advertisements. Talent Sdn. Bhd. has offered May to act in the latest movie and agreed to pay her RM500, 000. May has accepted the offer and signed the contract. However, when the publisher wanted to start filming the movie, May refused to act on the reason that she received a higher offer from another publisher. As a consequence, Talent Sdn. Bhd. has lost more than RM700, 000. The publisher intends to sue May for their loss.

As a lawyer, advise the publisher on the following:

- i. The proper court to try this matter; and

(1 marks)

- ii. Explain the composition and jurisdiction of the court that you mentioned above.

(9 marks)

Continued...

- d) State the jurisdiction of Court of Appeal in Malaysia.

(5 marks)

[Total : 25 Marks]

QUESTION 3

- a) Section 2 (g) of the Contracts Act 1950, states that:

'An agreement not enforceable by law is said to be void'

- i. With reference to the Contracts Act 1950, discuss what restraint of trade is.

(10 marks)

- b) Thivagar used to be a successful business man. Unfortunately last year, his company faced financial issues which caused his company to be wound up by court. He not only lost his company, he also had to sell his house and cars to support himself and his family. Recently, his wife left him and she was granted the custody of their daughters. Thivagar has become so stressed that he begun to act like an insane person. At the hospital, a doctor diagnosed him with a mental disorder. A week later, Thivagar went to meet his friend, Adrian, and informed him that he wanted to buy Adrian's house. Adrian who knew about Thivagar's mental disorder has agreed to sell his house since Thivagar promised to pay more than the market value. Two months after they signed the contract, Thivagar did not pay anything and kept saying that the house is his. Adrian wants to sue Thivagar for breach of contract. As a lawyer, advise Adrian whether the contract between him and Thivagar is valid.

(15 marks)

[Total : 25 Marks]

QUESTION 4

In January 2015, Kiah bought a second hand car on hire purchase agreement with Bank Cina India Melayu Berhad where Munah signed as a guarantor.

- a) Kiah defaulted in her monthly instalments and Bank Cina India Melayu Berhad wants to repossess the car. Explain the process of repossession that should be carried out by the bank.

(15 marks)

- b) Advise Munah on her liability as a guarantor.

(10 marks)

[Total : 25 Marks]

Continued...

QUESTION 5

a) With reference to provisions in the Sale of Goods Act, define the following:

- i. Contract of sale;
- ii. Goods;
- iii. Conditions;
- iv. Warranties; and
- v. Mercantile Agent.

(10 marks)

b) Joyah is a committee member for Best Netball Club in Multimedia University, Melaka. Recently, the club was requested to provide new jerseys for a netball match that will be held in July 2016. Joyah, as a committee member, went to Kedai Baju Hap Seng to order the jerseys. Several samples were given for her to choose. After taking into consideration several options, she chose a pink jersey with white sleeves for the players. She also requested a logo of the university to be printed at the back of the jersey. After a month, the shop delivered the jerseys but they were blue and without the logo of the university. Joyah is not satisfied with the jerseys and seeks your advice as to whether she can reject them or not.

Advice Joyah.

(15 marks)

[Total : 25 Marks]

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